

**MINUTES  
ALABAMA REAL ESTATE APPRAISERS BOARD  
RSA UNION STREET  
SUITE 370  
MONTGOMERY, ALABAMA  
OCTOBER 15, 2004**

**MEMBERS PRESENT:**

Mr. Mandell Tillman  
Mr. Clifford Odom  
Mr. James Davis  
Mr. Otis Stewart, Jr.  
Mr. Leston Stallworth  
Mr. Steve Martin (Arriving at 8:45 a.m.)  
Mr. Wilder H. Cheney  
Mrs. Myra Pruitt  
Mr. Jon B. Blissitte

**OTHERS PRESENT:**

Mr. J.W. Holland, Jr.  
Mrs. Lisa Brooks  
Ms. Neva Conway  
Mr. Randy Robertson

**GUESTS PRESENT:**

Mr. Jimmy Barton

- 1.0 With quorum present Mr. Tillman, Chairman called the meeting to order at 8:15 a.m. The meeting was held at the RSA Union Building, 100 N. Union Street, 3<sup>rd</sup>. Floor Conference Room, Montgomery, Alabama.
- 1.1 The meeting was opened with prayer by Mr. Cheney and then the Pledge of Allegiance.
- 2.0 Members present were Mr. Mandell Tillman, Mr. James Davis, Mr. Clifford Odom, Mr. Otis Stewart, Jr., Mr. Leston Stallworth, Mr. Steve Martin, Mr. Wilder H. Cheney, Mr. Jon B. Blissitte and Mrs. Myra Pruitt.  
At this time the Board introduced themselves to guest Mr. Jimmy Barton.

- 3.0 On motion by Mr. Cheney and second by Mr. Davis the regular minutes for August 27, 2004 were approved as written. Motion carried by unanimous vote.
- 3.2 Ms. Conway asked the Board to vote whether they wanted the hearing on complaint **AB-03-68** to be heard before an Administrative Law Judge or before the entire Board. On motion by Mr. Odom and second by Mr. Blissitte the Board voted to have the hearing before the Administrative Law Judge if the licensee agrees. Motion carried by unanimous vote. Also, Ms. Conway included Summons on **AB-03-70** for their information.
- 4.0 Ms. Conway informed the Board the Governor would be calling a Special Session in late October or early November.
- The Board asked Ms. Conway to check with Sally Robinson to see if appointments will be sent for confirmations during the Special Session.
- The Board also asked Ms. Conway to draft changes to our law to revise the way appointments and confirmations are worded and the way the Board approves education courses and instructors.
- 5.0 On motion by Mr. Cheney and second by Mr. Martin the following applications were voted on as listed. Motion carried by unanimous vote.
- 5.1 **Trainee Real Property Appraiser applications approved:** Kevin A. Arrowood, Huel D. Attaway, Donna B. Bailey, Pamela Butterworth, John M. Carter, George Cordell, Jason Cory, James E. Davis, Jeffrey L. Easter, Monte Easterling, Bryan M. Grimmitt, Mark C. Haller, Shane T. Lovelady, Walker McGinnis, Charles Roberts, Sharon Roberts, Charles Rodriguez, Brian K. Sanders, LaRonda Shirley, Nathan Stephen, Anna N. Stone, David Sumners, Rachael R. Waller, Joseph C. Wise, Trevor Whitten.
- 5.2 **State Registered Real Property Appraiser applications approved:** Jack D. Couch, Iverson Gandy, Jr.
- 5.3 **Licensed Real Property Appraiser applications approved:** Marina R. Hodge, Douglas S. Sanders. **Applications deferred:** Donald S. Armstrong, Hayden L. Scott, Darrell S. Willeford.
- 5.4 **Certified Residential Real Property Appraiser applications approved:** Michael K. Adams, Travis G. Berry, Kenneth E. Carroll, Jr., John R. Elkins (Recip.)(GA), Cade Gentry, James P. Higen

(Recip.)(MO), Amy L. Pewitt, Joshua A. Smith, Charles R. Summey. **Applications deferred:** Marla I. Ezzell, John S. Gellerstedt, Bradley E. Pullum. **Application denied:** Stephen A. Lovoy.

5.5 **Certified General Real Property Appraiser applications approved:** Ted D. Brooks (Recip.)(TX), Roland N. Coan. **Applications deferred:** Frank E. Lindstrom, III.

6.0 Mr. Holland discussed the financial report with the Board. Mr. Holland stated we were 91% into FY 04 and 78% into budget expenditures. Mr. Holland informed the Board that after all bills are paid we would be 86% into budget expenditures. The short fall on planned expenditures was mainly due to the fact that one support position was not filled and two investigator positions were vacant for the last quarter. Mr. Holland also stated we spent \$30,000 less this year than last year and there were no negative trends that could not be reconciled at this time. On motion by Mrs. Pruitt and second by Mr. Cheney the Board voted to approve the Financial Report. Motion carried by unanimous vote.

6.1 On motion by Mr. Davis and second by Mr. Odom the following education courses and instructor recommendations were approved, deferred, or denied as indicated:

**ASFMRA, AMERICAN SOCIETY OF FARM MANAGERS & RURAL APPRAISERS**

**Renewal:**

(CE) Fundamentals of Rural Appraisal Internet (A-101) – Tradition Classroom - 46 Hours (with exam)  
(Instructor: Howard Audsley)  
**Both Course and Instructor Approved**

(CE) Principles of Rural Appraisal Internet (A-201) – Traditional Classroom - 44 Hours (with exam)  
(Instructor: Lee Ann Moss)  
**Both Course and Instructor Approved**

(CE) Rural Business Valuation – Traditional Classroom - 16 Hours  
(Instructor: TBD)  
**Course Approved**

(CE) National USPAP course (A-12 III) – Traditional Classroom - 7 Hours  
(Instructor: TBD)

**Course Approved**

- (CE) Conservation Easements – Traditional Classroom - 16 Hours  
(Instructor: TBD)

**Course Approved**

**AREA, AL ASSOCIATION OF REAL ESTATE APPRAISERS**

**Renewal:**

- (LIC) National USPAP course – Traditional Classroom - 15 Hours

**Course Approved**

- (LIC) Fundamentals of Real Estate Appraisal – Traditional Classroom - 45 Hours

**Course Approved**

- (LIC) Intro. to the Sales Comparison Approach – Traditional Classroom - 15 Hours

**Course Approved**

- (CE) National USPAP Course – Traditional Classroom - 7 Hours

**Course Approved**

- (CE) Risk Management for Appraisers – Traditional Classroom - 3.5 Hours

**Course Approved**

**APPRAISAL INSTITUTE – CHICAGO**

**Initial Application:**

- (LIC) Real Estate Finance, Statistics & Valuation Modeling – 7 Hours

(Instructor: Kenneth Lusht)

**Both Course and Instructor Approved**

**Renewal:**

- (LIC) On-line 330 Apartment Appraisal: Concepts & Applications – 15 Hours (with exam)

(Instructor: Kenneth Folz)

**Both Course and Instructor Approved**

- (LIC) Basic Appraisal Procedures – Traditional Classroom - 30 Hours

(Instructor: Craig Harrington)

**Both Course and Instructor Approved**

- (LIC) On-line 410 National USPAP Equivalent Course – 15 Hours  
**Course Approved**
- (LIC) 110 Appraisal Principles – 39 Hours  
**Course Approved**
- (LIC) 120 Appraisal Procedures – 39 Hours  
**Course Approved**
- (LIC) 210 Residential Case Study – 39 Hours  
**Course Approved**
- (LIC) 310 Basic Income Capitalization – 39 Hours  
**Course Approved**
- (LIC) 320 General Applications – 40 Hours  
**Course Approved**
- (LIC) 330 Apartment Appraisal, Concepts & Applications – 16 Hours  
**Course Approved**
- (LIC) 410 National USPAP Course – 15 Hours  
**Course Approved**
- (LIC) 420 Business Practice & Ethics – 8 Hours  
**Course Approved**
- (LIC) 500 Advanced Residential Form & Narrative Report Writing – 40 Hours  
**Course Approved**
- (LIC) 510 Advanced Income Capitalization – 40 Hours  
**Course Approved**
- (LIC) 520 Highest & Best Use & Market Analysis – 40 Hours  
**Course Approved**
- (LIC) 530 Advanced Sales Comparison & Cost Approaches – 40 Hours  
**Course Approved**
- (LIC) 540 Report Writing & Valuation Analysis – 40 Hours  
**Course Approved**

- (LIC) 550 Advanced Applications – 40 Hours  
**Course Approved**
- (LIC) 600 Income Valuation of Small, Mixed-Use Properties – 16 Hours  
**Course Approved**
- (LIC) 610 Alternative Uses & Cost Valuation of Small, Mixed-Use Properties – 16 Hours  
**Course Approved**
- (LIC) 620 Sales Comparison Valuation of Small, Mixed-Use Properties – 16 Hours  
**Course Approved**
- (LIC) 700 The Appraiser as an Expert Witness: Preparation & Testimony – 16 Hours  
**Course Approved**
- (LIC) 705 Litigation Appraising: Specialized Topics & Applications – 16 Hours  
**Course Approved**
- (LIC) 710 Condemnation Appraising: Basic Principles & Applications – 16 Hours  
**Course Approved**
- (LIC) 720 Condemnation Appraising: Advanced Topics & Applications – 16 Hours  
**Course Approved**
- (LIC) 800 Separating Real & Personal Property from Intangible Business Assets – 16 Hours  
**Course Approved**
- (LIC) 810 Computer Enhanced Cash Flow Management – 16 Hours  
**Course Approved**
- (LIC) Basic Appraisal Principles – 30 Hours  
**Course Approved**
- (LIC) Residential Highest & Best Use and Market Analysis – 15 Hours  
**Course Approved**

- (CE) On-line Eminent Domain & Condemnation – 7 Hours  
(Instructor: John Underwood)  
**Both Course and Instructor Approved**
- (CE) On-line 320 General Applications – 39 Hours  
**Course Approved**
- (CE) On-line Analyzing Distressed Real Estate – 4 Hours  
**Course Approved**
- (CE) On-line Analyzing Operating Expenses – 7 Hours  
**Course Approved**
- (CE) On-line Appraisal of Nursing Facilities – 7 Hours  
**Course Approved**
- (CE) On-line Appraising from Blueprints & Specs – 7 Hours  
**Course Approved**
- (CE) On-line Feasibility Market Value, & Investment Timing:  
Option Value – 7 Hours  
**Course Approved**
- (CE) On-line Internet Search Strategies for Real Estate  
Appraisers – 7 Hours  
**Course Approved**
- (CE) On-line Introduction to GIS Applications for Real Estate  
Appraisers – 7 Hours  
**Course Approved**
- (CE) On-line Overview of Real Estate Appraisal Principles – 7  
Hours  
**Course Approved**
- (CE) On-line Residential Design & Functional Utility – 7 Hours  
**Course Approved**
- (CE) On-line Residential Property Construction & Inspection – 7  
Hours  
**Course Approved**
- (CE) On-line Small Hotel/Motel Valuation – 7 Hours  
**Course Approved**

- (CE) On-line The FHA & The Appraisal Process – 7 Hours  
**Course Approved**
- (CE) On-line Valuation of Detrimental Conditions in Real Estate – 7 Hours  
**Course Approved**
- (CE) On-line Using your HP12C Financial Calculator – 7 Hours  
**Course Approved**
- (CE) 400 National USPAP Update Course – 7 Hours  
**Course Approved**
- (CE) Analyzing Commercial Lease Clause – 7 Hours  
**Course Approved**
- (CE) Appraisal Consulting: A Solutions Approach for Professionals – 7 Hours  
**Course Approved**
- (CE) Appraising Manufactured Housing – 7 Hours  
**Course Approved**
- (CE) Appraising the Tough Ones – 7 Hours  
**Course Approved**
- (CE) Avoiding Liability as a Residential Appraiser – 7 Hours  
**Course Approved**
- (CE) General Demonstration Appraisal Report Writing Seminar – 7 hours  
**Course Approved**
- (CE) Introduction to Income Capitalization – 7 Hours  
**Course Approved**
- (CE) Mathematically Modeling Real Estate Data – 7 Hours  
**Course Approved**
- (CE) Real Estate Finance, Statistics & Valuation Modeling – 7 Hours  
**Course Approved**
- (CE) Real Estate Finance, Value & Investment Performance – 7 Hours  
**Course Approved**



(CE) Residential Demonstration Appraisal Report Writing Seminar – 7 Hours

**Course Approved**

(CE) Scope of Work: Expanding Your Range of Services – 7 Hours

**Course Approved**

(CE) The Road Less Traveled: Special Purpose Properties – 7 Hours

**Course Approved**

### **CAREER WEBSCHOOL**

#### **Renewal:**

(LIC) An FHA Single Family Appraisal – 15 Hours (with exam)

(CE) 14 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

(LIC) Uniform Residential Appraisal Report – 15 Hours (with exam)

(CE) 14 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

(LIC) CompuTaught Natl. USPAP Equivalent (2004 Edition) – 15 Hours

(CE) 14 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

(LIC) CompuTaught 75-Hour Qualifying Course – 75 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

(CE) CompuTaught Overview for the Appraisal Process – 14 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

(CE) CompuTaught Appraisal Methods – 14 Hours

(Instructor: A.M. “Bud” Black)

**Both Course and Instructor Approved**

- (CE) CompuTaught Natl. Equivalent Update – 7 Hours  
(Instructor: A.M. “Bud” Black)  
**Both Course and Instructor Approved**

**CLIFF ODOM APPRAISAL SERVICES, INC.**

**Renewal:**

- (CE) Understanding Appraisal Report Options – Applying USPAP Requirements – Traditional Classroom - 8 Hours  
(Instructor: Cliff Odom)  
**Both Course and Instructor Approved**

- (CE) FHA Property Assessment & Reporting – Traditional Classroom - 8 Hours  
(Instructor: Cliff Odom)  
**Both Course and Instructor Approved**

**COSBY APPRAISAL SERVICES**

**Renewal:**

- (LIC) Advanced Sales Approach – Traditional Classroom - 40 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**

- (LIC) Real Estate Appraisal Certification I – Traditional Classroom - 32 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**

- (LIC) Real Estate Appraisal Certification II – Traditional Classroom - 32 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**

- (LIC) USPAP – Traditional Classroom - 16 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**

- (LIC) The Cost Approach – Traditional Classroom - 16 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) USPAP/LAW – Traditional Classroom - 8 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) URAR – Traditional Classroom - 8 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) FHA The Requirements & Process – Traditional Classroom - 8 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) The Inspection Process – Traditional Classroom - 4 Hours  
(previously offered as 8 hours)  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) Review Appraising – Traditional Classroom - 8 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**
- (CE) Plans & Specifications – Traditional Classroom - 8 Hours  
(Instructor: Melissa A. Cosby)  
(Assistant Instructor: Timothy Bagwell)  
**Both Course and Instructors Approved**

### **DYNASTY SCHOOL**

#### **Renewal:**

- (LIC) National USPAP (On-line) – 15 Hours with exam  
(Instructor: Lee R. Hess)  
**Course Denied due to examination proctoring concerns**

- (CE) National USPAP Update (On-line) – 7 Hours  
(Instructor: Lee R. Hess)  
**Both Course and Instructor Approved**

### **FREA, THE FOUNDATION OF REAL ESTATE APPRAISERS**

#### **Renewal:**

- (CE) Advanced Issues in Appraising (On-line) – 20 Hours  
(Instructor: C. Ross Acheson)  
**Both Course and Instructor Approved**

### **JVI APPRAISAL DIVISION, LLC**

#### **Initial Application:**

- (CE) Appraising REO Properties – Traditional Classroom - 7 Hours  
(Instructors: Ron L. Nation, Wm. Hank Pruett, III, Robert K. McKenna, Donald W. Klafter, Scott B. Caulfield)  
**Both Course and Instructors Approved**

### **MCKISSOCK APPRAISAL SCHOOL**

#### **Renewal:**

- (CE) Appraiser Liability – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**
- (CE) FHA Exam Preparation – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**
- (CE) Construction Details and Trends – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**
- (CE) Fair Housing – Virtual Classroom – 4 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**
- (CE) National USPAP Update Equivalent – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**
- (CE) Income Capitalization – Virtual Classroom – 7 Hours

(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**

(CE) Information Technology – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**

(CE) Developing & Growing an Appraisal Practice – Virtual Classroom – 10 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**

(CE) FHA Appraising Today – Virtual Classroom – 7 Hours  
(Instructor: Alan Simmons)  
**Both Course and Instructor Approved**

(CE) National USPAP – Traditional Classroom - 15 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) Appraiser Liability – Tradition Classroom - 7 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) Appraising the Oddball: Nonconforming & Difficult Properties – Traditional Classroom - 7 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) FHA Appraising Today – Traditional Classroom - 7 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) Real Estate Damages: Assessment and Testimony – Traditional Classroom - 7 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) Real Estate Fraud and the Appraiser's Role – Tradition Classroom - 7 Hours  
(Instructor: Ken Guilfoyle)  
**Both Course and Instructor Approved**

(CE) The Appraiser as an Expert Witness – Traditional Classroom - 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) Residential Construction – Traditional Classroom - 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) Does My Report Comply with USPAP? – Traditional Classroom - 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) National USPAP Update Course – Traditional Classroom - 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

**Initial Application:**

(CE) Appraising for the Secondary Market – Virtual Classroom – 7 Hours

(Instructor: Alan Simmons)

**Both Course and Instructor Approved**

(CE) Disclosures & Disclaimers – Virtual Classroom – 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) Appraising High Value Residential Properties – Traditional Classroom – 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) Limited Appraisals & The Scope of Work Decision – Traditional Classroom – 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

(CE) Made in America: Appraisals Factory Built Housing – Traditional Classroom – 7 Hours

(Instructor: Ken Guilfoyle)

**Both Course and Instructor Approved**

**NAMA, NATL. ASSOC. OF MASTER APPRAISERS – LINCOLN  
GRADUATE CENTER**

(Instructor: Amelia A. Lovvorn Brown seeking approval to  
teach previously approved licensure course #669  
Manufactured Housing Appraisal)

**Instructor Approved**

**SCHOOL OF REAL ESTATE CONCEPTS**

**Renewal:**

(LIC) USPAP – Traditional Classroom – 15 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) APEX Drawing Software – Traditional Classroom – 7 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) American National Standards for Single-Family Homes –  
Traditional Classroom – 7 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) Innovative Ways to Determine Land Size and Value –  
Traditional Classroom – 7 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) Measuring & Drawing Complex Homes – Traditional  
Classroom – 7 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) Plats, Surveys & Surveying – Traditional Classroom – 7  
Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

(CE) USPAP Update – Traditional Classroom – 7 Hours

(Instructor: Hal M. Walls, Sr.)

**Both Course and Instructor Approved**

**SRFEP, INC., SOFTWARE FOR REAL ESTATE PROFESSIONALS**

**Renewal:**

- (CE) The Residential Appraiser Productivity Suite – Traditional Classroom – 16 Hours  
(Instructors: R. Wayne Pugh)  
**Both Course and Instructor Approved**

**THE CE GROUP**

**Renewal:**

- (CE) Moisture Intrusion, Progression of Damages & Valuation Issues – 7 Hours (with exam)  
(Instructors: Richard Laframboise, Greg Burden & Richard Maloy)  
**Both Course and Instructors Approved**

**VAN EDUCATION CENTER**

**Initial Application:**

- (LIC) Appraisal 101 – 75 Hours  
(Instructors: Burton Lee & Clayton Watson)  
**Request Denied due to examination proctoring concerns**
- (LIC) National USPAP – 15 Hours  
(Instructor: Burton Lee)  
**Request Denied due to examination proctoring concerns**
- (CE) National USPAP Equivalent – 7 Hours  
(Instructor: Burton Lee)  
**Both Course and Instructor Approved**

**NEGARA REAL ESTATE APPRAISAL SCHOOL**

Courses previously approved at the May Board meeting. However, provider requests that approval become effective for the 2004-2006 renewal period, as these courses have not yet been offered in AL. Marketing will begin this fall in conjunction with the ASU system.

- (LIC) 90-Hour Qualification Course  
(Instructor: Lee A. Lawson)  
**Both Course and Instructor Approved**
- (LIC) 15-Hour USPAP



(Instructor: Lee A. Lawson)  
**Both Course and Instructor Approved**

(LIC) 15-Hour Fannie Mae Guidelines  
(Instructor: Lee A. Lawson)  
**Both Course and Instructor Approved**

(CE) 7-Hour USPAP  
(Instructor: Lee A. Lawson)  
**Both Course and Instructor Approved**

(CE) 14-Hour Fannie Mae Guidelines  
(Instructors: Lee A. Lawson)  
**Both Course and Instructor Approved**

On motion by Mr. Davis and second by Mr. Odom the Board voted to have someone monitor the School of Real Estate Concepts courses National Standards and Measuring and Drawing Complex Homes. Motion carried by unanimous vote.

6.2 The Board reviewed the following disciplinary reports, which were included in their books. **AB-04-50**: On August 27, 2004, **Cathy Morris (R00530)**, a Certified Residential Real Property Appraiser signed a Voluntary Surrender Consent Order in lieu of going forward with a formal hearing on the charges of violation in this complaint. Violations are as follows: Respondent used listed properties as comparable sales without disclosing they were not sales; changed the appraisal to accommodate the requests of the underwriter, and arrived at the final opinion of value as directed; failed to provide a true copy of the appraisal report. The report submitted had been changed to reflect the requests of the Lender; failed to maintain a copy of plans and specifications as required by USPAP for "Subject to completion" appraisals; failed to provide a copy of a Completion Certification certifying the manufactured home setup was performed in accordance to plans and specs or state law; inconsistently reported the GLA of the subject property on the URAR 1004 form and the Manufactured Home Appraisal Report Addendum. Licensee will be eligible to apply for reinstatement after two years from the date of surrender.

**AB-03-91, AB-03-101, AB-04-22, AB-04-53**: On August 27, 2004, **William Clem, (T00933)** did not appear for a formal hearing on the charges in this case. The Board entered a default on the violations and revoked Clem's license. Violations are as follows: **AB-03-91**: Respondent communicated a misleading and fraudulent appraisal report by selecting superior comparable sales that were not similar

to the subject property in class, type, style or location. Respondent failed to report the functional inadequacies of the subject property by not disclosing the narrow steep staircase and the six-foot ceilings in the upstairs area. Neither feature was typical for the market area; Respondent did not maintain a work file for the appraisal or maintain a copy of the appraisal report. **AB-03-101:** Respondent appraised the subject property while his Trainee Real Property Appraiser License was not renewed; Respondent did not respond to the Board's request for a copy of the appraisal report and his work file. **AB-04-22:** Respondent communicated a misleading and fraudulent appraisal report by selecting superior comparable sales that were not similar to the subject property in class, type, style or location which resulted in an inflated estimate of value that could not be supported in the subject's market; Respondent reported inaccurate information for the subject and/or comparable sales such that had accurate information been reported and adjustments made for the differences a much different estimate of value would have resulted. Respondent developed and reported the subject appraisal in such a manner that the aggregate of errors caused the report to be misleading. **AB-04-53:** Respondent appraised properties and completed no less than 63 appraisal reports that were delivered to Alliance Mortgage in Huntsville, Alabama for use in federally related transactions after October 1, 2003 while his license status was inactive. The appraisal reports have the forged electronic signature of a certified appraiser.

**AB-02-06, AB-02-33:** On July 30, the Board suspended the license of **Silas Williams (R00282)**, a Certified Residential Real Property Appraiser for six months. The suspension was stayed on the following conditions: that Licensee pay a \$3000 Administrative fine; attend 45 hours of designated appraiser education courses; serve a 12 month probation period following the suspension period; and that further violations occurring in the next 18 months result in the immediate revocation of the appraisal license. The violations are: **AB-02-06:** Licensee failed to develop a credible Sales Comparison Analysis. There were numerous discrepancies between information reported in the report and the information contained in the cited data sources; inconsistent adjustments were applied to the sales for the dissimilarities, and the analysis was unsupported by the reported date and there was no explanation in the report; five mobile homes and a nightclub located on the subject property were not disclosed; an altered appraisal report was submitted in response to the Board's request for a copy of the report. **AB-02-33:** Licensee failed to describe and analyze an Agreement of Sale pending on the subject property at the time of the appraisal; Licensee failed to exercise reasonable due diligence

in developing the appraisal and failed to apply the accepted appraisal methods for the appraisal of the subject property. The manufactured home did not meet the definition of real property; in the Sales Comparison Approach, Licensee used a sale of a Manufactured Home combined with a land sale (Land/home sale) as a comparable for the subject property and used the Manufactured Home purchase date as the date of sale. This transaction did not conform to the definition of a sale and its use in the sales comparison approach resulted in a misleading appraisal report; Licensee ignored accepted appraisal methods for the appraisal of property where the structure is a manufactured home to arrive at the lender's estimated value and facilitate a 100% purchase price loan. By doing so, Licensee failed to comply with USPAP which requires the assignment be performed with impartiality, objectivity, and independence.

**AB-03-76:** On July 30, 2004, the Board issued a public reprimand to **Braxton Craig (R00339)**, a Certified Residential Real Estate Appraiser. Licensee is also required to pay a \$1000 administrative fine. The violations are Licensee failed to perform the appraisal assignment competently and in accordance with the USPAP standards by failing to develop the appraisal according to specific and binding requirements of Standard 1 and by preparing a "letter report" instead of a report that complies with the specific and binding requirements of Standard 2. . Licensee failed to invoke the Departure Rule when he excepted from specific requirements of USPAP.

**AB-02-68:** On July 30, 2004, the Board issued a private reprimand to a Certified Residential Real Property appraiser following a formal hearing. The Board also ordered payment of a \$1,500 administrative fine. The violations contained in the appraisal of the single-family dwelling are: Respondent signed a completion certification that construction was complete per plans and specifications when the patio and landscaping had not been performed and painting was not complete.

**Letters of Warning** were issued on the following investigations for the discrepancies indicated. This disciplinary action will be considered in any future discipline proceedings:

**AB-04-17:** On September 2, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal which omitted the Income Approach for the appraisal of an income producing property and failed to adequately describe the economic characteristics of the neighborhood. Specifically, the number of foreclosures in the

subject's market area and the impact on property values, growth rate, and supply and demand of properties in the area.

**AB-04-18:** On September 2, 2004 to a Trainee Real Property Appraiser for a residential appraisal, which omitted the Income Approach for the appraisal of an income producing property and failed to adequately describe the economic characteristics of the neighborhood. Specifically, the number of foreclosures in the subject's market area and the impact on property values, growth rate, and supply and demand of properties in the area.

**AB-04-20:** On July 6, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal which failed to recognize the different market influence between factory-built homes and stick-built homes. The analysis and adjustments were based on all the homes being similarly built. Licensee is responsible for the deficiencies in the report as the supervisor of a Trainee Real Property Appraiser.

**AB-04-21:** On July 6, 2004 to a Trainee Real Property Appraiser for a residential appraisal which failed to recognize the different market influence between factory-built homes and stick-built homes. The analysis and adjustments were based on all the homes being similarly built.

**AB-04-31:** On July 8, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal which was also signed by an unlicensed individual in violation of the mandatory license law in Alabama.

**AB-04-51:** On September 10, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal where Comparable Sales #2 and #3 are superior to subject in site size and location and no adjustment was made. An unnecessary condition adjustment was made. The 3-year sales history was not reported.

**AB-04-54:** On September 10, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal where the condition adjustment to Comparable Sale #1 is not supported by the market, comparable Sales #3 is located in a neighborhood that is superior to the subject property location, and sales more similar to the subject property in class, type, style and location were available.

**AB-04-63:** On September 10, 2004 to a Certified General Real Property Appraiser for a residential appraisal where the report was developed under SUPPLEMENTAL STANDARDS (FNMAE

guidelines) which require disclosure of participation in inspection by each signing appraiser; Comparable Sale #3 is a Garden Home located in a subdivision zoned for Garden Homes, the Subject Property is a in a subdivision that is zoned for Single Family Residential.

**AB-04-64:** On September 10, 2004 to a Trainee Real Property Appraiser for a residential appraisal where the report was developed under SUPPLEMENTAL STANDARDS (FNMAE guidelines) which require disclosure of participation in inspection by each signing appraiser; Comparable Sale #3 is a Garden Home located in a subdivision zoned for Garden Homes, the Subject Property is a in a subdivision that is zoned for Single Family Residential.

**AB-04-65:** On September 10, 2004 to a Certified Residential Real Property Appraiser for a residential appraisal where Comparable Sales #1 & #2 are not similar to the subject in age and condition. Sale #3 is similar to the subject in age and condition but it is located in a neighborhood that is superior to the subject property location. There were sales more similar to the subject property in class, type, style and location.

Mr. Holland discussed with the Board the investigative status charts. Ms. Conway gave the Board a break down of the 39 cases that were in due process. She stated there were two cases set for hearings, eight reports in her office have not been read and the rest have offers outstanding to licensees.

Mr. Holland took this time to complement Mr. Robertson for his hard work during the absence of all other investigators.

- 6.2.1 There were no Probable Cause Reports to discuss at this time.
- 6.2.2 There were no anonymous complaints to review at this time.
- 6.2.3 The Board reviewed Consent Settlement Orders **AB-02-25, AB-02-58, AB-03-70, AB-04-72** and Letters of Warnings on **AB-03-25, AB-04-17, AB-04-18, AB-04-35, AB-04-54, AB-04-63, AB-04-64**. On motion by Mr. Cheney and second by Mr. Stallworth the Board voted to accept these Consent Settlement Orders and Letters of Warnings as presented. Motion carried by unanimous vote.
- 6.3 No reciprocal agreements to report since last meeting. Mr. Davis asked Ms. Conway what the status was with Florida. She stated that Florida had some questions regarding our exams and that she

had at that this time not had a chance to respond. Our new examination provider is assisting with response to these questions.

6.4 The following reciprocal licenses were issued since last meeting. Ted D. Brooks (G)(TX), John R. Elkins (R)(GA), James P. Higen (R)(MO).

7.0 The temporary permit report was provided to the Board for their information.

8.0 Mr. Holland included in the Board books the Real Estate Appraisal Investigator notice from State Personnel. Mr. Holland stated that this would be a continuous announcement posted on the State Personnel website. He also stated that in addition to this notice being posted on the State website that our office would send mail outs to all licensees.

Mr. Holland informed the Board that the Trainee Orientations were going well. He stated we would be in Mobile, AL on October 22, 2004 and Huntsville, AL on October 29, 2004.

Mr. Holland included in the Board books a copy of the Hurricane Ivan flyer that was mailed to District 1, State Registered, Licensed Real, Certified Residential and Certified General licensees. This flyer was mailed to District 1 appraisers due to several inquiries concerning updates of appraisals in the areas of the state impacted by Hurricane Ivan.

Mr. Holland stated to the Board that 84% of renewals had been received as of October 15, 2004.

Mr. Holland briefly discussed with the Board for their information the Governor's new Smart Budgeting plan for all state agencies. This plan was designed to increase accountability for state agencies.

Mr. Holland asked the Board to review a letter from Mr. C. Todd Johnson requesting an extension on his 2003-2004 renewal so he can take the 15-Hour USPAP. On motion by Mr. Davis and second by Mr. Martin the Board voted to extend Mr. Johnson renewal until the end of October. After that time his file would be closed. Motion carried by unanimous vote.

Mr. Davis gave a brief report to the Board on the AARO Conference in Washington, D.C. on October 9-12, 2004.

At this time Mr. Holland officially informed the Board of his plans to retire at or near the end of February 2005. Mr. Tillman thanked Mr. Holland for his years of work with this agency. Mr. Tillman appointed an Executive Director Search Committee, which included Mr. Blissitte, Chairman, Mr. Odom, Mr. Martin and Mr. Tillman would serve as Ex Officio.

9.0 Meeting adjourned at 10:20 a.m.

Sincerely,

Lisa Brooks  
Executive Secretary

Lb

**APPROVED:** \_\_\_\_\_  
**Mandell Tillman, Chairman**